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SUBJECT: Argentina's Anticorruption Office:
Many Investigations, Few Results

REF: A) Buenos Aires 01283
B) Buenos Aires 00978

¶1. (SBU) SUMMARY: Despite being ranked 93rd (low) on Transparency International's corruption perception index, Argentina has an active anti-corruption office. The office has both a policy-promotion mission and an investigatory function. Despite a heavy investigatory workload, the office has yet to convict anyone as a result of its efforts. The office attributes this failure to Argentina's slow and cumbersome legal system. The office has stressed the importance of working bilaterally with the U.S. to combat corruption. See Ref A for details on the anticorruption office's request for improved cooperation. END SUMMARY.

Structure of the Anti-Corruption Office

¶2. (SBU) The Office of Anti-Corruption (OA), headed by Abel Fleitas Ortiz de Rozas, was created by law 25,233 in 1999 under President De la Rúa. The Office of Anticorruption, an independent agency under the Ministry of Justice and Human Rights, consists of two parts: an investigatory arm and a policy and transparency arm. It is generally a respected organization staffed by professionals and appears to be free of overt political interference.

¶3. (SBU) The transparency branch, Direccion de Planificacion de Politicas de Transparencia (DPPT), is responsible for designing policies to enhance transparency and deter corruption. Its primary responsibility is at the national level, but it assists district or municipal government as well. It also administers financial disclosure forms for public officials. Nicolas Raigorodsky is head of the transparency branch (as of June 2007), which works closely with the Ministry of Foreign Affairs in addressing corruption issues in international forums.

¶4. (SBU) The head of the investigatory branch (Direccion de Investigaciones (DIOA)) is Martin Andres Moreno. The DIOA is focused on investigating and presenting cases for prosecution involving corruption within the federal executive branch or involving federal funds. The authority relating to use of federal money does not extend to money transferred to districts. It does not have authority to investigate allegations at the district or municipal levels. The office, although nominally a part of the

Judicial branch, does not have authority to independently prosecute cases, but can refer cases to other agencies or serve as the plaintiff and request a judge to initiate a case. The office and its investigators can produce testimony for the courts and introduce evidence as needed. The DIOA has 35 investigators organized into five teams, each consisting of a multi-disciplinary team of lawyers, accountants, and other professionals. It has experienced a lot of personnel turnover, as many of their employees have been able to obtain more lucrative offers in the judicial sector, other government agencies, or the private sector.

Corruption Investigations

15. (SBU) The majority of high profile corruption cases (including Skanska-REFTEL B) are investigated by individual judges and not by the corruption office. These judges, however, may request assistance from the DIOA in gathering or analyzing evidence, especially when related to complicated financial transactions.

16. (SBU) The 2006 annual report indicated that over 6,000 files have been opened to date by the OA, with 688 opened in 2006 alone. Individuals, NGOs, and other government agencies can file complaints with the OA. The office then conducts a quick investigation to identify if it meets the criteria of a corruption case (e.g. not primarily a labor or contract dispute) and that it is a federal issue. If it meets the criteria it will open a preliminary investigation to conduct a more thorough review. The OA does accept and will investigate anonymous tips. The office also has the authority to initiate investigations based on analysis of financial disclosure forms filed by federal executive branch officials.

17. (SBU) Despite active investigations, there are few convictions for corruption charges. The main obstacle seems to be the ineffective legal system which makes prosecuting complex politically sensitive cases close to impossible. The office consistently refers cases (119 in 2006) to the courts or to other agencies (149) for review. The office claims to have had some success with administrative penalties related to financial disclosure violations or similar violations from other agency rules. Both Mr. Fleitas and Mr. Moreno said that their investigations have been stymied by Argentina's slow and cumbersome legal system. Corruption investigations and prosecutions in Argentina take so long that, according to Dr. Fleitas, Argentina is still prosecuting cases from the mid-1990s.

International Agreements

18. (SBU) Argentina has been a very active participant in various international forums against corruption, such as in the Conference of State Parties (COSP) related to the United Nations Convention Against Corruption (UNCAC) and the Mechanism for Follow-up on the Implementation of the Inter-American Convention Against Corruption (MESICIC). Argentina is participating in the pilot review of the implementation of UNCAC. The Anticorruption office is also in charge of implementing the checklist reviewing implementation of the UNCAC.

OA's Perception of Corruption in Argentina

19. (SBU) Mr. Fleitas claims that, while he strongly believes that corruption is a problem in Argentina, the scale of the problem is overstated. He notes that the current poor rankings of corruption indices are worse than they were during the 1990s, when there were a number of high profile corruption allegations against the government. He also argues that a review of corruption cases indicated that the bulk of them stem from mid-level government officials. He believes that his office has made great strides in the field of corruption, but that they have been limited by a lack of resources and personnel. These comments were repeated in our meeting with Mr. Moreno and seem to reflect the OA's official position.

KELLY